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TAGS: [PREL](#) [PTER](#) [PHUM](#) [KDEM](#) [AG](#)  
SUBJECT: INTERIOR MINISTER TELLS AMBASSADOR ALGERIAN  
POLITICAL ESTABLISHMENT SUPPORTS A THIRD TERM FOR BOUTEFLIKA

REF: A. ALGIERS 1259

[1](#)B. ALGIERS 1249

Classified By: Ambassador Richard W. Erdman,  
for reasons 1.4 (b) and (d)

SUMMARY  
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[1](#)1. (C) True to his hard-liner reputation, Interior Minister Zerhouni told Ambassador during his July 10 farewell call that Algerians supported reform but needed time to absorb and adapt to economic and political change. Forcing the pace could cause problems and set back the entire process. Zerhouni also said he was "more or less" satisfied with the implementation of the national reconciliation process; claimed not very convincingly there had been no/no increase in terrorist attacks, despite press reporting to the contrary; and argued that President Bouteflika had overwhelming support for a third term from the Algerian people and the political class and that amending the constitution was a practical way to accommodate this new situation and permit a further consolidation of the reform process. Zerhouni also claimed Islamist forces in Algeria were now accepting republican values and that for most people released under the National Reconciliation Charter, their respecting the prohibition from engaging in political activity was not simply a tactical retreat. In an extended exchange on visas for NDI personnel, Zerhouni took a predictably hard line, making clear he was part of the "cons" in an ongoing internal debate over the NDI program in Algeria.

ZERHOUNI: FASTER REFORM PACE  
RISKS SETTING THE PROCESS BACK  
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[1](#)2. (C) During Ambassador's July 10 farewell call, Interior Minister Yazid Zerhouni thanked Ambassador for his work in expanding U.S.-Algerian relations and asked if his views on Algeria were different from when he arrived, following three years in-country. Ambassador, who was accompanied by Pol/Econ chief, said his views had not changed appreciably: Algeria was on a good path toward democracy and open markets, but there was still much that needed to be done to complete this journey. At the same time, Ambassador added, he had frankly hoped Algeria would have accelerated the pace of reform. Faster progress was essential to growing the economy, creating jobs, and alleviating unemployment. Zerhouni, pushing back, argued that Algeria needed time to absorb and adapt to economic and political change. Algeria

was actually going "a bit fast" on the reform front, he argued unconvincingly, and forcing the pace risked instability and setbacks for the reform process. The most important thing was that Algerians had the "spirit of reform" and supported reform efforts, provided the pace of reform was within the limits of their society. Algeria knew from the Eastern European experience that undertaking reforms too fast could be a big mistake.

ZERHOUNI CLAIMS REFORMS MAY BE  
SLOW BUT ARE NOT BEING BLOCKED  
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¶3. (C) Acknowledging that it was up to each country to decide its reform pace, Ambassador again noted the link between reforms and addressing economic and social grievances and pointedly asked about blockages in the reform process. Zerhouni responded with a straight face that while there was hesitation and even slowness in the reform process, there was not any "blockage." Ambassador replied that that had not been his personal experience. Four days before a planned announcement of a \$1.7 humanitarian community center project financed by the U.S. government and several U.S. firms present in Algeria in collaboration with the Wali of Ouargla, the Wali had informed us, without further explanation, that he had encountered "resistance" to the project and it thus could not go forward. The problem had been resolved in the meantime, Ambassador said, thanks in part to his expression of concern to President Bouteflika in their farewell meeting, but it was an example of certain groups were able to block projects of benefit to the community and the country.

ZERHOUNI "MORE OR LESS" SATISFIED  
WITH NATIONAL RECONCILIATION PROCESS  
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¶4. (C) Ambassador asked Zerhouni for his assessment of the security situation in the context of the national reconciliation process, noting his impression that there seemed to be a significant uptic in terrorist activity (outside Algiers and major cities) in recent weeks. Zerhouni claimed the national reconciliation process was going well in terms of disarming and reintegrating former terrorists and he was "more or less" satisfied with the process. To date, 200 had turned themselves in and the number was considerably higher if one included family members (that were not terrorist themselves, but part of the support network.) There continued to be much suspicion and mistrust of the armed Islamists and the government, and the offer of pardon had created a lot of dissension among the terrorists themselves. Asked how many terrorists were active, he said only a few hundred remained -- which was significantly down from the 27,000 armed Islamists fighting the government in ¶1996.

NO UPTIC IN TERRORIST ATTACKS,  
ZERHOUNI CLAIMS UNCONVINCINGLY  
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¶5. (C) Notably without providing any details, Zerhouni dismissed outright but not very convincingly the suggestion that there had been an increase in terrorist attacks, either in number or audacity. Despite recent attacks involving the killing of five civilians on a beach two hours west of Algiers, the killing of two shepherds, several kidnappings, and several attacks in Tizi Ouzou and Jijel Wilayas, Zerhouni dismissed this as misreporting by the press. He contended that there had been no increase in the number of attacks or victims compared to the previous year, while acknowledging that cell-phone detonated explosives attacks in Boumerdes were a new phenomenon and that there had been explosives attacks against military units. Downplaying these attacks, he said some of the attacks had been "diversionary" moves to draw troops away from areas where they were moving in on terrorist hide-outs. Zerhouni also argued that the resort to bomb attacks was in fact a sign of the increasing weakness of the terrorists; it was much easier to set a car bomb on a

timer than to undertake an armed attack on security forces. Ambassador said that regardless of what was actually happening on the ground, most Algerians he had spoken with believed there had been an increase in terrorist violence recently and were very concerned. Zerhouni did not disagree, but blamed it on misleading press reports (without of course acknowledging that greater government transparency in providing accurate information would help address this problem.)

POLITICAL CLASS AS WELL AS PEOPLE  
SUPPORT THIRD TERM FOR BOUTEFLIKA  
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16. (C) Asked about the constitutional revision process, Zerhouni said that the most important issue to be decided was presidential term limits. There was broad support for a third term for Bouteflika from both the political class and from the Algerian people. The situation had improved significantly during Bouteflika's first two terms and the people wanted this improvement to continue under Bouteflika. In addition, given Bouteflika's broad popularity, no serious presidential contender from the political class was ready to take him on. It therefore suited their needs for Bouteflika to have a third term, during which they could prepare for an eventual presidential contest with someone other than Bouteflika as the candidate to beat. A third term would also give more time for political and economic reforms to be consolidated. A "point of no return" on reform was first needed. Amending the constitution to permit a third term was a practical response to this situation, he contended.

ISLAMISTS ARE NOW ACCEPTING  
REPUBLICAN/DEMOCRATIC VALUES  
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17. (C) Asked if Islamist tendencies were on the rise and whether the Algerian people had been "vaccinated" against a return to armed Islamic violence, Zerhouni said the Islamists were now accepting "republican Islamism" and understood they had to accept republican ideas and express their views in a democratic system. Ambassador noted that the release of Islamist extremists under the National Reconciliation Charter some months ago had initially led to some former terrorists

and radical leaders making public, political statements in violation of the terms of the Charter., They had then suddenly ceased making such statements, which the public had found very worrisome. Ambassador asked if the Islamists' change of heart was a tactical retreat or a genuine change of heart. Zerhouni said there might be "some" for whom it was a tactical retreat. But for most, it would be very difficult to return to the hard life of the "maquis" (terrorist network in rural and mountainous regions.) The Charter, he said, had to be implemented as a whole; it was not divisible. Zerhouni felt it would take time for fighters from the maquis to digest their new, non-political status. The vast majority, though, accepted the new environment as permanent.

ZERHOUNI ACKNOWLEDGES HIS SKEPTICISM NDI PROGRAMS  
IN ALGERIA, NOTING ALGERIA IS DIFFERENT, DOESN'T NEED HELP  
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18. (C) Ambassador raised our concerns about the difficulties NDI was having in obtaining visas for its own personnel as well as for visiting experts and speakers. This was sending a very confusing and negative signal regarding Algeria's commitment to democratic development. The NDI program in Algeria functioned completely a-politically. It worked with almost all the parties and their deputies on practical ways to strengthen parties, run campaigns, encourage women's participation in the political process, etc. and it had won praise from all of them as well as from Council of the Nation (Senate) President Bensalah. We viewed the NDI program as being in direct support of President Bouteflika's publicly declared policy of working to build real democracy in Algeria. The recurring problems over obtaining visas and visa renewals every three months thus sent a very confusing

and negative signal to Washington, for whom democratic development in the region was a very high priority. Ambassador said a senior official (NEA DAS Gray) had raised the visa issue with MFA SYG Lamamra during a recent visit and had been told that an internal debate was underway within the Algerian executive over this program. Ambassador suggested to Zerhouni (as he had to the MFA) that instead of sending repeated negative signals while the debate was under way, since the NDI program and its director (Julie Denham) had been working in the country for over four years now, why not simply routinely grant the requested visas and visa renewals.

19. (C) Zerhouni confirmed there was an internal debate on NDI's presence under way within the Administration, making no effort to hide that he was among the skeptics as to whether NDI should operate in Algeria. He claimed that he did not know what NDI was really doing in Algeria. What were its programs, he asked, noting that he "knew" about NDI's programs in Latin American and East Europe some years ago and that if that was what NDI was doing, Algeria did not need it. In any case, he argued, Algeria was "different" and did not need "lessons" from anyone in Europe or elsewhere, especially when it came to organizing elections. Ambassador said he was personally not familiar with NDI programs in Latin America in years past, but assured that its activities in Algeria were completely transparent and worked out jointly with the political parties and local organizations. Ambassador said we would be happy to share a list of planned NDI programs. While Algeria had made progress toward democracy, it still had a long way to go and could benefit from programs like NDI's. Zerhouni acknowledged that Algeria had suffered greatly from colonization and did in fact need to develop its legal and democratic foundations. But, he repeated, Algeria was different from other countries where NDI had experience and NDI programmers in Washington did not have sufficient expertise, appreciation, or understanding of other countries, including Algeria. Following an additional exchange about sending negative signals about Algeria's commitment to democracy, Zerhouni said he highly respected former Secretary Albright, the head of NDI, and insisted there was no negative signal intentionally being sent to Washington on Algeria's part concerning the NDI visa issue.

ERDMAN